

**BILL #** SB 1361

**SPONSOR:** Bee

**PREPARED BY:** Eric Billings

**TITLE:** Arizona career pathways initiative

**STATUS:** Senate Engrossed

## **FISCAL ANALYSIS**

### **Description**

This bill would establish the Arizona Career Pathways Initiative Program (ACPI) under the Department of Commerce. ACPI would offer postsecondary training to low and moderate income, under skilled individuals in order to gain employment in fields with shortages of employees. ACPI would facilitate this training by providing grant monies to nonprofit and nongovernmental corporations in Arizona that provide the necessary training services. The Department of Commerce shall establish the program based on available monies.

### **Estimated Impact**

The fiscal impact of the bill cannot be determined in advance. This type of program could be implemented at a variety of resource levels. The bill is designed to have no fiscal impact as it is to be implemented with available monies. The department, however, could decide it has no "available" monies. In that circumstance, the program may only be implemented with additional funding in the future.

The department was unable to provide an estimate of this bill's fiscal impact.

### **Analysis**

The Department of Commerce currently administers 2 job training programs. The Arizona Job Training Program (AJTP) issues grants for job skills training for 2 year periods directly to employers on a cost reimbursement basis. AJTP monies are to be used for training at small businesses employing fewer than 100 employees (25%), businesses locating to rural areas (25%), and for existing workers (50%). In FY 2007, the department reports that 24,922 workers were under contract to be trained, equating to a cost of \$153 per trainee.

The Department of Commerce also administers the state Apprenticeship Program which helps provide on-the-job training and classroom instruction to workers seeking employment in certain industries. In FY 2007, 5,130 workers were registered for Apprenticeship Programs at an average cost of \$115.

### **Local Government Impact**

None.

4/15/08